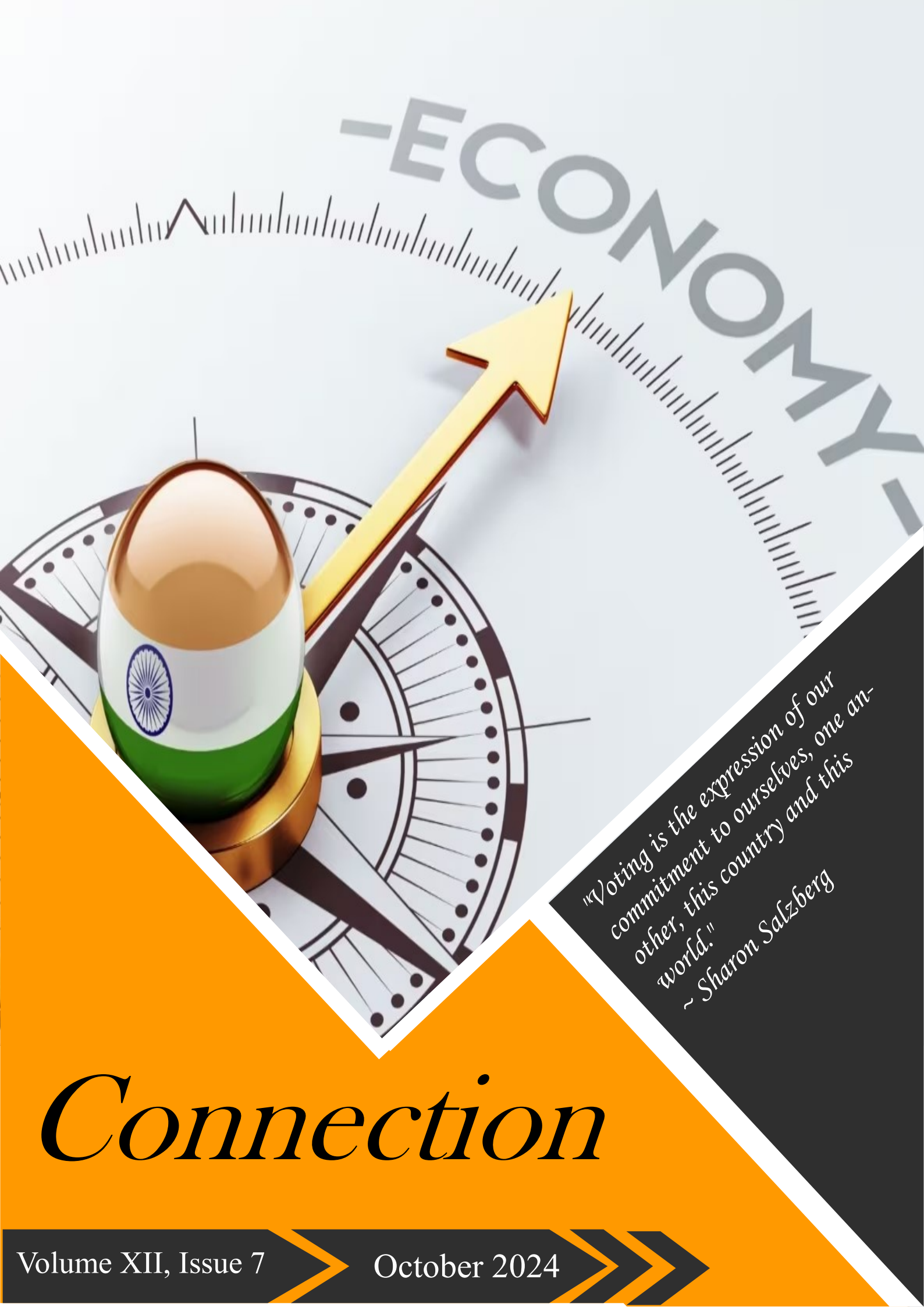

"Voting is the expression of our commitment to ourselves, one another, this country and this world."
~ Sharon Salzberg

Connection

Volume XII, Issue 7 October 2024

LLB & CO.

JUST TO REMIND YOU

- **Sept 07—TDS Payment**
- **Sept 11 - Due date for filling GSTR1 Normal case for Aug 2024**
- **Sept 13 - Due date for filling GSTR1 IFF case for Aug 2024**
- **Sept 15 - Due date for Advance Tax Payment.**
- **Sept 15 - Due date for the payment of ESIC & PF for Aug 2024.**
- **Sept 20 - Payment of GST & filing of return for Inward & Outward Supplies for Aug 2024 by Regular & Casual Suppliers**
- **Sept 30– Due date for filling Audit Report.**
- **Sept 30—Due Date for filing DPT3 KYC.**
- **Sept 30—Due Date for AGM.**

INSIDE THIS ISSUE:

Direct Tax Vivad se Vishwas Rules, 2024

In exercise of the powers conferred by section 99 of the Finance (No. 2) Act, 2024 (15 of 2024), the Central Government hereby makes the following rules, namely:— 1. Short title and commencement.– (1) These rules may be called the Direct Tax Vivad se Vishwas Rules, 2024. (2) They shall come into force on the date of their publication in the Official Gazette. 2. Definitions. – (1) In these rules, unless the context otherwise requires,– (a) "Act" means the Finance (No. 2) Act, 2024 (15 of 2024); (b) "dispute" means appeal, writ or special leave petition filed by the declarant or the income-tax authority before the Appellate Forum, or objections filed before the Dispute Resolution Panel under section 144C of the Income-tax Act, 1961 (43 of 1961) and the Dispute Resolution Panel has not issued any direction, or Dispute Resolution Panel has issued direction under sub-section (5) of section 144C of the said Act and the Assessing Officer has not completed the assessment under sub-section (13) of that section, or application filed under section 264 of the said Act; (c) "Form" means the Forms annexed to these rules; (d) "issues covered in favour of the declarant" means issues in respect of which – (i) an appeal or writ or special leave petition is filed by the income-tax authority before the appellate forum; or (ii) an appeal is filed before the Commissioner (Appeals) or the Joint Commissioner (Appeals), or objections is filed before the Dispute Resolution Panel, by the declarant, on which he has already got a decision in his favour from the Income Tax Appellate Tribunal (where the decision on such issue is not reversed by the High Court or the Supreme Court) or the High Court (where the decision on such issue is not reversed by the Supreme Court); or (iii) an appeal is filed by the declarant before the Income Tax Appellate Tribunal on which he has already got a decision in his favour from the High Court (where the decision on such issue is not reversed by the Supreme Court); (e) "new appellant case" means any case other than an "old appellant case" where the declarant is an appellant after the 31st January, 2020 but on or before the specified date; (f) "old appellant case" means where the declarant is an appellant on or before the 31st January, 2020, in respect of any tax arrear and continues to be an appellant at the same appellate forum on the specified date in respect of such tax arrear; and (g) "section" means section of the Finance (No. 2) Act, 2024 (15 of 2024) as included in Chapter IV of the said Act. (2) the words and expressions used in these rules and not defined but defined in the Act or the Income-tax Act, 1961, shall have the meanings respectively assigned to them in those Acts. 3. Amount payable by declarant.- (1) Where a declarant files a declaration to the designated authority under sub-section (1) of section 91 of the Act, on or before the 31st December, 2024, the amount payable by the declarant under the Act shall be as mentioned in column (3) of the Table specified in section 90 of the Act, subject to the conditions as provided in the First, Second and Third provisos of the said Table. (2) Where a declarant files a declaration to the Designated Authority under sub-section (1) of section 91 of the Act, on or after the 1st January, 2025 but on or before the last date, the amount payable by the declarant under the Act shall be as provided in column (4) of the Table specified in section 90 of the Act, subject to the conditions as provided in the First, Second and Third provisos of the said Table. (3) Where the dispute includes issues covered in favour of declarant, the disputed tax in respect of such issues shall be the amount, which bears to tax, including surcharge and cess, payable on all the issues in dispute, the same proportion as the disputed income in relation to issues covered in favour of declarant bear to the disputed income in relation to all the issues in dispute. 4. Form of declaration and undertaking.- (1) The declaration for any dispute referred to in sub-section (1) of section 91 and the undertaking referred to in sub-section (4) of the said section shall be made in Form-1 to the designated authority and shall be filed separately in respect of each order: Provided that where the appellant and the income-tax authority have both filed an appeal or writ petition or special leave petition in respect of the same order, single Form-1 shall be filed by the appellant. (2) The declaration and the undertaking under sub-rule (1) shall be verified by the declarant or any person competent to verify the return of income on his behalf in accordance with section 140 of the Income-tax Act, 1961 (43 of 1961). (3) The designated authority, on receipt of declaration, shall issue a receipt electronically in acknowledgement thereof. 5. Form of certificate by Designated Authority.- The Designated Authority shall issue a certificate referred to in sub-section (1) of section 92 electronically in Form-2. 6. Intimation of payment.- The intimation of payment as referred to in sub-section (2) of section 92, made pursuant to the certificate issued by the designated authority shall be furnished along with proof of withdrawal of appeal, objection, application, writ petition, special leave petition, or claim filed by the declarant to the designated authority in Form-3. 7. Order by designated authority.-The order by the designated authority under sub-section (2) of section 92, in respect of payment of amount payable by the declarant as per certificate issued under sub-section (1) of section 92, shall be in Form-4. 8. Laying down of procedure, formats and standards.- (1) The Principal Director General of Income-

tax (Systems) or the Director General of Income-tax (Systems), as the case may be, shall lay down procedures, formats and standards for furnishing and verifying the declaration and undertaking in Form-1, under sub-rule (1) of rule 4, issuance of certificate in Form-2 under rule 5, intimation of payment and proof of withdrawal in Form-3 under rule 6 and issuance of order in Form-4 under rule 7. (2) The Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems) shall also be responsible for evolving and implementing appropriate security, archival and retrieval policies in relation to the said declaration, undertaking, certificate, intimation and order. 9. Manner of computing disputed tax in cases where loss or unabsorbed depreciation is reduced.- (1) Where the dispute in relation to an assessment year relates to reduction in loss or unabsorbed depreciation to be carried forward under the Income-tax Act, 1961 (43 of 1961), the declarant shall have an option to – (i) include the tax, including surcharge and cess, payable on the amount by which loss or unabsorbed depreciation is reduced in the disputed tax and carry forward the loss or unabsorbed depreciation by ignoring such amount of reduction in loss or unabsorbed depreciation; or (ii) carry forward the reduced amount of loss or unabsorbed depreciation. (2) Where the declarant exercises the option as provided in clause (ii) of sub-rule (1), he shall be liable to pay tax, including surcharge and cess, along with interest, if any, as a consequence of carrying forward the reduced amount of loss or unabsorbed depreciation in subsequent years: Provided that the written down value of the block of asset on the last day of the year, in respect of which unabsorbed depreciation has been reduced, shall not be increased by the amount of reduction in unabsorbed depreciation: Provided further that in computing the reduced amount of loss or unabsorbed depreciation to be carried forward in clause (ii) of sub-rule (1), one-half of the amount by which loss or unabsorbed depreciation is reduced shall be considered for reduction, if such reduction is related to issues covered in favour of declarant. 10. Manner of computing disputed tax in cases where Minimum Alternate Tax ("MAT" in short) credit is reduced.- (1) Where the dispute in relation to an assessment year relates to reduction in MAT credit to be carried forward, the declarant shall have an option to – (i) include the amount by which MAT credit to be carried forward is reduced in disputed tax and carry forward the MAT credit by ignoring such amount of reduction, or (ii) carry forward the reduced MAT credit. (2) Where the declarant exercises the option as provided in clause (ii) of sub-rule (1), he shall be liable to pay tax, including surcharge and cess, along with interest, if any, as a consequence of carrying forward reduced MAT credit in subsequent years: Provided that in computing the reduced amount of MAT credit to be carried forward in clause (ii) of sub-rule (1), one-half of the amount by which MAT credit is reduced shall be considered for reduction, if such reduction is related to issues covered in favour of declarant.

Procedure for Filing Form-1 Under DTVSVS 2024

In exercise of the powers conferred under Rule 8 of The Direct Tax Vivad Se Vishwas Rules, 2024, the Director General of Income Tax (Systems), Bengaluru, hereby lays down the following procedures: ADVERTISEMENT Powered by 2. Online filing of Form -1: i. All the declarants filing declaration under sub-section (1) of section 91 of The Direct Tax Vivad Se Vishwas Scheme, 2024 are required to file the declaration and undertaking referred to in sub-section (4) of section 91, in Form-1, online on the e-Filing portal of the Department: https://www.incometax.gov.in. ii. The declaration and undertaking shall be verified in accordance with section 140 of the Income-tax Act, 1961. iii. Form-1 shall be furnished electronically under digital signature, if the return of income is required to be furnished under digital signature or, in other cases through electronic verification code. iv. Please refer to DGIT Notification in F.No.1/23/CIT(OSD)/E-filing – Electronic Verification/ 2013-14 – Notification No. 2/2015 dt. 13th of July 2015 and F.No.1/23/CIT (OSD)/E-filing – Electronic Verification/ 2015-16 – Notification No. 1/2016 dt. 19th of January 2016, for details regarding Electronic Verification Code (EVC) for electronically filed Income Tax Return which will be applicable for the submission under this Notification. 3. Preparation and submission of Form -1: i. Form-1 shall be available for data entry and preparation online to the declarant after login. ii. The declarant is required to login into the e-Filing portal of the Department: https://www.incometax.gov.in using their valid Login credentials.

iii. A link for filing the Form-1 has been provided under the e-Filing Portal: https://www.incometax.gov.in -> Login -> e-File -> Income Tax Forms -> File Income Tax Forms -> Select "Persons not dependent on any source of Income (Source of Income not relevant)" -> Vivad Se Vishwas Scheme, 2024 (Form 1 DTVSV 2024). iv. Select Form-1 and Assessment Year (or Financial Year as applicable for Tax Deduction/Collection at Source related cases) and filing type (original/revised) from the drop-down Menu. v. Form – 1 contains specific schedules and the declarants are required to fill the relevant schedules and tables under the schedules with validations for proper submission of the declaration. vi. The Form can be submitted by clicking on "Submit" button. vii. Digital Signature Certificate or Electronic Verification Code is mandatory to submit the Form. viii. Acknowledgement number for submission of declaration shall be generated electronically. 4. Viewing Submitted Forms: i. The submitted Form would be available for view and download by going to https://www.incometax.gov.in -> Login -> e-File -> Income Tax Forms -> View Filed Forms -> Select the applicable option. 5. Submission to designated Authority: i. Online Submission of Form-1 in the manner prescribed herein would be treated as submission to the designated authority as prescribed under Clause (e) of Section 89 of the The Direct Tax Vivad Se Vishwas Scheme, 2024. 6. The Notification comes into effect immediately.

Restoration of GST Returns data on Portal

Please refer to the advisory issued on 24th September, 2024 regarding the archival of return data from the Common Portal after seven years. This data was archived in line with data archival policy. Data archival process was implemented on a monthly basis. Consequently, the return data for July, 2017 and August, 2017 was archived on 01st August and on 01st September respectively. However, in view of the requests received from the trade due to the difficulties faced, data has been restored back on the portal. We recommend you to download and save the data if needed, as the archival policy shall be implemented again after giving advance information.

Input Tax Credit Clarification for Demo Vehicles – GST

The demo vehicles are the vehicles which the authorised dealers for sale of motor vehicles are required to maintain at their sales outlet as per dealership norms and are used for providing trial run and for demonstrating features of the vehicle to the potential buyers. These vehicles are purchased by the authorised dealers from the vehicle manufacturers against tax invoices and are typically reflected as capital assets in books of account of the authorized dealers. As per dealership norms, these vehicles may be required to be held by the authorized dealers as demo vehicle for certain mandatory period and may, thereafter, be sold by the dealer at a written down value and applicable tax is payable at that point of time. 2. Reference has been received to issue clarification regarding availability of input tax credit in respect of demo vehicles on the following issues: ADVERTISEMENT Powered by i. Availability of input tax credit on demo vehicles, which are motor vehicles for transportation of passengers having approved seating capacity of not more than 13 persons (including the driver), in terms of clause(a) of section 17(5) of Central Goods & Services Tax Act, 2017 (hereinafter referred to as the 'CGST Act"). ii. Availability of input tax credit on demo vehicles in cases where such vehicles are capitalized in the books of account by the authorized dealers. 3. In order to ensure uniformity in the implemen-

tation of the provisions of law across the field formations, the Board, in exercise of its powers conferred by section 168 (1) of the CGST Act, hereby clarifies the above issues as below. 4. Availability of input tax credit on demo vehicles, which are motor vehicles for transportation of passengers having approved seating capacity of not more than 13 persons (including the driver), in terms of clause(a) of section 17(5) of CGST Act. 4.1 Clause (a) of Section 17 (5) of CGST Act provides that input tax credit shall not be available in respect of motor vehicles for transportation of persons having approved seating capacity of not more than 13 persons(including the driver), except when they are used for making following taxable supplies, namely: A. further supply of such motor vehicles; or B. transportation of passengers; or C. imparting training on driving such motor vehicles. 4.2 The intention of law, as it appears from the use of expression 'when they are used for making the following taxable supplies' in clause (a) of section 17(5) of CGST Act, is to exclude certain cases (based on the nature of outward taxable supplies being made using the said motor vehicle) from the restriction on availment of input tax credit in respect of the specified motor vehicles i.e. motor vehicles for transportation of persons having approved seating capacity of not more than thirteen persons (including the driver). The taxable supplies, permitted for the purpose of being excluded from the blockage of input tax credit as per provisions of clause (a) of section 17(5) of CGST Act, being further supply of such motor vehicles, transportation of passengers and imparting training on driving such motor vehicles. 4.3 As demo vehicles are used by authorized dealers to provide trial run and to demonstrate features of the vehicle to potential buyers, it is quite apparent that demo vehicles cannot be said to be used by the authorized dealer for providing taxable supply of transportation of passengers or imparting training on driving such motor vehicles. Therefore, demo vehicles are not covered in the exclusions specified in sub-clauses (B) and (C) of clause (a) of section 17(5) of CGST Act. Accordingly, it is to be seen whether or not the Demo vehicles in question can be said to be used for making "further supply of such motor vehicles", as specified in the sub -clause (A) of the clause (a) of section 17(5) of CGST Act. 4.4 Regarding the provision for blockage of input tax credit in respect of motor vehicles for transportation of persons having approved seating capacity of not more than thirteen persons (including the driver), the usage of the words "such motor vehicles" instead of "said motor vehicle", in sub-clause (A) of the clause (a) of section 17(5) of CGST Act, implies that the intention of the lawmakers was not only to exclude from the blockage of input tax credit, the motor vehicle which is itself further supplied, but also to exclude from the blockage of input tax credit, the motor vehicle which is being used for the purpose of further supply of similar type of motor vehicles. As demo vehicles are used by authorized dealers to provide trial run and to demonstrate features of the vehicle to potential buyers, it helps the potential buyers to make a decision to purchase a particular kind of motor vehicle. Therefore, as demo vehicles promote sale of similar type of motor vehicles, they can be considered to be used by the dealer for making 'further supply of such motor vehicles'. Accordingly, input tax credit in respect of demo vehicles is not blocked under clause (a) of section 17(5) of CGST Act, as it is excluded from such blockage in terms of sub-clause (A) of the said clause. 4.5 There may be some cases where motor vehicles for transportation of persons having approved seating capacity of not more than thirteen persons (including the driver) are used by an authorized dealer for purposes other than for making further supply of such motor vehicles, say for transportation of its staff employees/ management etc. In such cases, the same cannot be said to be used for making 'further supply of such motor vehicles' and therefore, input tax credit in respect of such motor vehicles would not be excluded from blockage in terms of sub-clause (A) of clause (a) of section 17(5) of CGST Act. 4.6 Further, there may be cases where the authorized dealer merely acts as an agent or service provider to the vehicle manufacturer for providing marketing service, including providing facility of vehicle test drive to the potential customers of the vehicle on behalf of the manufacturer and is not directly

involved in purchase and sale of the vehicles. In such cases, the sale invoice for the vehicle is directly issued by the vehicle manufacturer to the customer. For providing facility of vehicle test drive to the potential customers of the vehicle, the dealer purchases demo vehicle from the vehicle manufacturer. The dealer may sell the said demo vehicle to a customer after a specified time or kilometres as per agreement with the vehicle manufacturer on payment of applicable GST. In such a case, the authorized dealer is merely providing marketing and/or facilitation services to the vehicle manufacturer and is not making the supply of motor vehicles on his own account. Therefore, the said demo vehicle cannot be said to be used by the dealer for making further supply of such motor vehicles. Accordingly, in such cases, input tax credit in respect of such demo vehicle would not be excluded from blockage in terms of sub-clause (A) of clause (a) of section 17(5) of CGST Act and therefore, input tax credit on the same would not be available to the said dealer. 5. Availability of input tax credit on demo vehicles in cases where such vehicles are capitalized in the books of account by the authorized dealers. 5.1 As per provisions of section 16(1) of CGST Act, every registered taxpayer is entitled to take input tax credit charged on any supply of goods and services made to him, where such goods or services are used in the course or furtherance of business of such person, subject to such conditions and restrictions as may be prescribed and in the manner which is specified. 5.2 Further, "goods" has been defined in section 2(52) of CGST Act, as, "goods" means every kind of movable property other than money and securities but includes actionable claim, growing crops, grass and things attached to or forming part of the land which are agreed to be severed before supply or under a contract of supply. 5.3 Also, section 2 (19) of CGST Act defines "capital goods" as, "capital goods" means goods, the value of which is capitalized in the books of account of the person claiming the input tax credit and which are used or intended to be used in the course or furtherance of business. 5.4 As mentioned in paras above, as the demo vehicles are used by the authorized dealers to promote further sale of motor vehicles of the similar type and therefore, such vehicles appear to be used in the course or furtherance of business of the authorized dealers. Where such vehicles are capitalized in the books of accounts by the authorized dealer, the said vehicle falls in the definition of "capital goods" under section 2(19) of CGST Act. As per provision of section 16(1) of CGST Act, subject to such conditions and restrictions as may be prescribed, a recipient of goods is entitled to take input tax credit in respect of tax charged on the inward supply of any goods, which as per definition of "goods" under section 2(52) of CGST Act, includes even capital goods. Further, section 2 (19) of CGST Act also recognizes that capital goods are used or intended to be used in the course or furtherance of business. Accordingly, availability of input tax credit on demo vehicles is not affected by way of capitalization of such vehicles in the books of account of the authorized dealers, subject to other provisions of the Act. 5.5 However, it is to be mentioned that in case of capitalization of demo vehicles, availability of input tax credit would be subject to provisions of section 16(3) of CGST Act, which provides that where the registered person has claimed depreciation on the tax component of the cost of capital goods and plant and machinery under the Income-tax Act, 1961, the input tax credit on the said tax component shall not be allowed. It is further mentioned that in case demo vehicle, which is capitalized, is subsequently sold by the authorized dealer, the authorized dealer shall have to pay an amount or tax as per provisions of section 18 (6) of CGST Act read with rule 44(6) of the Central Goods and Service Tax Rules, 2017. 6. It is requested that suitable trade notices may be issued to publicize the contents of this Circular. 7. Difficulty, if any, in the implementation of this Circular may be brought to the notice of the Board. Hindi version would follow.

IGST Refund for exporters who initially imported without paying IGST & Cess

Sub-rule (10) of rule 96 of Central Goods and Services Tax Rules, 2017 (hereinafter referred to as "CGST Rules") provides for a bar on availment of the refund of integrated tax (IGST) paid on export of goods or services, if benefits of certain concessional/exemption notifications, as specified in the said sub-rule, have been availed on inputs/raw materials imported or procured domestically. In this regard, references have been received from the field formations and trade/ industry wherein clarification has been sought on whether refund of integrated tax paid on exports of goods by a registered person can be regularized in a case where the registered person had initially imported inputs without payment of integrated tax and compensation cess, by availing the benefits under Notification No. 78/2017-Customs dated 13.10.2017 or Notification No. 79/2017-Customs dated 13.10.2017, but subsequently, at a later date, the said person has either paid the IGST and compensation cess, along with interest, on such imported inputs or is now willing to pay such IGST and compensation cess, along with interest. ADVERTISEMENT 2. The issue has been examined and in order to clarify the issue and to ensure uniformity in the implementation of the provisions of law across the field formations, the Board, in exercise of its powers conferred by section 168 (1) of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as "CGST Act"), hereby clarifies the following: 2.1 Vide Notification No. 16/2020-CT dated 23.03.2020, an Explanation was inserted in sub-rule (10) of rule 96 of CGST Rules retrospectively with effect from 23.10.2017, which reads as follows: "Explanation. – For the purpose of this sub-rule, the benefit of the notifications mentioned therein shall not be considered to have been availed only where the registered person has paid Integrated Goods and Services Tax and Compensation Cess on inputs and has availed exemption of only Basic Customs Duty (BCD) under the said notifications." 2.2 A bare perusal of the said Explanation, which was inserted with retrospective effect, reveals that in cases where the benefits of these exemption notifications have not been availed in respect of IGST and compensation cess, it shall be deemed that benefit of the said notifications has not been availed for the purpose of sub-rule (10) of rule 96 of CGST Rules. Therefore, extension of logic given in the said Explanation may lead to a view that in cases where inputs were initially imported without payment of integrated tax and compensation cess but subsequently, IGST and compensation cess on such imported inputs is paid at a later date, along with interest, then in such cases, it can be considered that the benefits of notifications mentioned in clause (b) of sub-rule (10) of rule 96 of CGST Rules have not been availed for the purpose of said sub-rule. Accordingly, refund of IGST claimed on exports made with payment of Integrated tax in such cases may not be considered to be in contravention of provisions of sub-rule (10) of rule 96 of CGST Rules. 2.3. In view of the above, it is clarified that where the inputs were initially imported without payment of integrated tax and compensation cess by availing benefits under Notification No. 78/2017-Customs dated 13.10.2017 or Notification No. 79/2017-Customs dated 13.10.2017, but subsequently, IGST and compensation cess on such imported inputs are paid at a later date, along with interest, and the Bill of Entry in respect of the import of the said inputs is got reassessed through the jurisdictional Customs authorities to this effect, then the IGST, paid on exports of goods, refunded to the said exporter shall not be considered to be in contravention of provisions of sub-rule (10) of rule 96 of CGST Rules. 3. It is requested that suitable trade notices may be issued to publicize the contents of this Circular. 4. Difficulty, if any, in implementation of the above instructions may please be brought to the notice of the Board. Hindi version would follow.

RBI Flags Irregularities in Gold Loan Practices by Supervised Entities

A reference is invited to the circulars1 issued by the Reserve Bank containing various prudential guidelines related to loans against pledge of gold ornaments and jewellery for different categories of Supervised Entities (SEs). 2. Reserve Bank has recently carried out a review of the adherence to prudential guidelines as well as practices being followed by SEs with regard to loans against pledge of gold ornaments and jewellery. The review, as well as the findings of the onsite examination of select SEs by the Reserve Bank, indicate several irregular practices in this activity. The major deficiencies include (i) shortcomings in use of third parties for sourcing and appraisal of loans; (ii) valuation of gold without the presence of the customer; (iii) inadequate due diligence and lack of end use monitoring of gold loans; (iv) lack of transparency during auction of gold ornaments and jewellery on default by the customer; (v) weaknesses in monitoring of LTV; and (vi) incorrect application of risk-weights, etc. The enclosed Annex incorporates further details in this regard. 3. All SEs are, therefore, advised to comprehensively review their policies, processes and practices on gold loans to identify gaps, including those highlighted in this advice, and initiate appropriate remedial measures in a timebound manner. Further, the gold loan portfolio should be closely monitored, especially in the light of significant growth in the portfolio in certain SEs. It should also be ensured that adequate controls are in place over outsourced activities and third-party service providers. 4. Action taken with regard to the above may be informed to the Senior Supervisory Manager (SSM) of Reserve Bank within three months of the date of this circular. Non-compliance with regulatory guidelines in this regard will be viewed seriously and will attract, among other things, supervisory action by RBI. 5. This circular takes immediate effect.

RBI Extends Interest Equalization Scheme for Rupee Export Credit

Please refer to the instructions issued vide circular No.DOR.STR.REC.41/04.02.001/2024-25 dated August 29, 2024. 2. Government of India (GoI), vide Trade Notice No.16/2024-2025 dated August 31, 2024, read with Trade Notice No.17/2024-2025 dated September 17, 2024, has allowed for an extension of the Interest Equalization Scheme for Pre and Post Shipment Rupee Export Credit ('Scheme') from September 1, 2024, to September 30, 2024. 3. Further, the Government has advised the following modifications/clarifications to the Scheme: a) The aforesaid extension is applicable only for MSME Manufacturer exporters. b) The annual net subvention amount is capped at ₹10 Crore per Importer-Exporter Code (IEC) for a given financial year, accordingly a cap of ₹5 Crore per IEC for MSME Manufacturer exporters is imposed till September 30, 2024, for the financial year starting from April 1, 2024. c) It is further advised that for Manufacturer Exporters and Merchant Exporters under the non-MSME category, the cap shall be ₹2.5 Crore per IEC till June 30, 2024, as per the Government's Trade Notice No.17/2024-2025 dated September 17, 2024. 4. Other provisions of the extant instructions issued by the Bank on the captioned Scheme shall remain unchanged.

Gauhati HC Orders Refund to KEC International with Interest

The Hon'ble Gauhati High Court allowed the writ petition and directed refund of the said amount along with statutory interest under section 32 of the Act KEC International Ltd filed a petition in the Gauhati High Court after its refund application for sales tax, pertaining to the financial years 1993-94, 1995-96, and 1998-99, was not processed by the Assam tax authorities. Despite repeated requests and communications, the petitioner received no response, leading to the writ petition. The total refund amount, Rs. 37,87,166, had been due since 2005. In their affidavit, the Assam authorities claimed that the refund files were lost and later reconstructed after the petition was filed. The court found this explanation to be an afterthought and directed the respondents to process the refund within four months, along with statutory interest under Section 32 of the Assam General Sales Tax Act, 1993. The court emphasized that there was no dispute regarding the refund amount and dismissed the state's reasoning for the delay. The petitioner's counsel, Bharat Raichandani, argued that the failure to process the refund in a timely manner was not justified. The matter was argued by Ld.Counsel Bharat Raichandani FULL TEXT OF THE JUDGMENT/ORDER OF GAUHATI HIGH COURT Heard Mr. B. Raichandani, the learned counsel appearing on behalf of the petitioner. Mr. B. Choudhury, the learned counsel appears on behalf of the respondent Nos. 1,2 & 3. 2. From the materials on record it has been admitted by the respondent authorities that the petitioner is entitled to a total amount of Rs. 37,87,116/- as refund in respect to the assessment years 1993-94, 1995-96 and 1998-99. The breakup of the said amount is herein under ADVERTISEMENT Powered by (i) 1993-94 – Rs, 15,07,180/- (ii) 1995-96 – Rs. 11,68,732/- (iii) and 1998-99 – Rs. 11,11,254/- Total – Rs. 37,87,166/- As stated above, there is no dispute to the fact that the petitioner is entitle to the said amount from the year 2005 as is apparent from the records. However, in the affidavit so filed by the Deputy Commissioner of Taxes on behalf of the respondent No. 2 on 27.08.2024, it has been stated that the amounts could not be paid to the petitioner as the officials of the Finance & Taxation Department of the Government of Assam has lost the files pertaining to the refund applications. 3. It has also been mentioned that the files have now been reconstructed, pursuant to the filing of the instant writ petition and the same has already been processed and forwarded to the Government of Assam by the communication Bearing No. CTS-151/2023/2022 dated 13.02.2024 for approval. 4. Mr. B. Raichandani, the learned counsel appearing on behalf of the petitioner however submits that the stands so taken in the affidavit that the file has been misplaced for which there was a requirement for reconstruction of the files is nothing but after thought to wriggle out of the statutory interest to which the petitioner is entitled to as per law. The learned counsel appearing on behalf of the petitioner further drew the attention of this Court to the various communications which have been written to the respondent authorities which is not less than 15 (fifteen) in number but the respondent authorities have never responded to the petitioner stating that the file could not be located or requesting the petitioner to submit necessary documents for reconstruction of the files. The learned counsel for the petitioner submits that the plea to the effect that the files were misplaced and had to be reconstructed does not appear to be bonafide. 5. I have heard the learned counsels appearing on behalf of the parties and has given my anxious consideration. 6. From the materials on record, it is apparent that the petitioner herein is entitled to the total amount of Rs. 37,87,166/- on account of refunds for the assessment years 1993-94, 1995-96, and 1998-99. The affidavit which has been filed

on behalf of the respondent No. 2 does not deny the said figure. It has also been mentioned in the affidavit filed by the respondent No. 2 that the matter has been placed before the Government for approval after being processed from the Office of the Commissioner of Taxes. 7. In that view of the matter, this Court disposes of the instant writ petition with a direction to the respondents and more particularly the respondent No. 2 to ensure that the payment is made to the petitioner in respect to the amount of Rs. 37,87,166/- within a period of 4 (four) months from the date of a certified copy of the instant order is served upon respondent No.2. In addition to that, this Court further directs that the petitioner herein would also be entitled to interest in terms with Section 32 of the Assam General Sales Tax Act, 1993 and as such the interest also be paid within the said period and as such the amount so directed to be paid herein above shall carry the statutory interest which is required to be paid within the said time frame. 8. With the above observation(s) and direction(s) the instant writ petition stands disposed of.

Extension of FCRA Registration Validity Till 31st Dec 2024

In continuation of Ministry of Home Affairs' Public Notice No. 11/21022/23 (22)/2020-FCRA-III dated 29.06.2024, the Central Government, in public interest, has decided to extend the validity of FCRA registration certificates of the following categories of FCRA registered entities: (i) The validity of registration certificates of such entities whose validity was extended till 30.09.2024 in terms of the Public Notice dated 29.06.2024 and whose renewal application is pending, will stand extended till 31.12.2024 or till the date of disposal of renewal applications, whichever is earlier. (ii) The validity of those FCRA entities whose 5 years validity period is expiring during 01.10.2024 to 31.12.2024 and who have applied/will apply for renewal before expiry of 5 years validity period, will stand extended upto 31.12.2024 or till the date of disposal of renewal application, whichever is earlier. 2. All FCRA registered associations are therefore advised to take note that in case of refusal of the application for renewal of certificate of registration, the validity of the certificate shall be deemed to have expired on the date of refusal of the application of renewal and the association shall not be eligible either to receive the foreign contribution or utilize the foreign contribution received. 3. This issues with the approval of the Competent Authority. All concerned may take note of the above decision and take appropriate action in the matter.

SEBI Renews Metropolitan Stock Exchange Recognition 2024

भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

The Securities and Exchange Board of India, having considered the application for renewal of recognition made under Section 3 of the Securities Contracts (Regulation) Act, 1956 by Metropolitan Stock Exchange of India Limited, having its registered office at Building A, Unit 205A, 2nd Floor, Piramal Agastya Corporate Park, Kamani Junction, L.B.S. Road, Kurla (West), Mumbai-400070 and being satisfied that it would be in the interest of trade and also in the public interest so to do, hereby grants, in exercise of the powers conferred under section 4 of the Securities Contracts (Regulation) Act, 1956, renewal of recognition to the said Exchange under section 4 of the said Act for a period of one year commencing on the 16th day of September, 2024 and ending on the 15th day of September, 2025 in respect of contracts in securities subject to the conditions stated herein below or as may be prescribed or imposed hereafter: The Exchange shall comply with conditions as may be prescribed by SEBI from time to time

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